depletion, including unusual medical expenses under the principles outlined in §3.262(l) for the claimant and his or her dependents.

(e) Agent Orange settlement payments. There shall be excluded from the corpus of estate or net worth of a claimant any payment made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.). (January 1, 1989)

(Authority: Pub. L. 101-201, 103 Stat. 1795)

- (f) Restitution to individuals of Japanese ancestry. Effective August 10, 1988, for the purposes of section 306 pension and parents' death compensation, there shall be excluded from the corpus of estate or net worth of a claimant any payment made as restitution under Public Law 100–383 to individuals of Japanese ancestry who were interned, evacuated, or relocated during the period December 7, 1941, through June 30, 1946, pursuant to any law, Executive order, Presidential proclamation, directive, or other official action respecting these individuals.
- (g) Monetary allowance under 38 U.S.C. 1805 for a child suffering from spina bifida who is a child of a Vietnam veteran. There shall be excluded from the corpus of estate or net worth of a claimant any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran.

(Authority: 38 U.S.C. 1805(d))

(Authority:

Sec. 105, Pub. L. 100-383; 102 Stat. 905; Sec. 6, Pub. L. 102-371; 106 Stat. 1167, 1168)

[28 FR 33, Jan. 1, 1963, as amended at 39 FR 28527, Aug. 8, 1974; 44 FR 45936, Aug. 6, 1979; 57 FR 59299, Dec. 15, 1992; 58 FR 33767, June 21, 1993; 62 FR 51279, Sept. 30, 1997]

CROSS REFERENCES: Reductions and discontinuances; dependency. See §3.500(h). Material change in income, net worth or change in status. See §3.660. Income and net worth questionnaires. See §3.661.

§ 3.270 Applicability of various dependency, income and estate regulations.

(a) Sections 3.250 to 3.270. These sections are applicable to dependency, in-

come and estate determinations needed to determine entitlement or continued entitlement for the following programs:

- (1) Parents' death compensation.
- (2) Old-law pension.
- (3) Section 306 pension.
- (4) Parents' dependency and indemnity compensation.

NOTE: Citations to title 38 U.S.C. in §§ 3.250 to 3.270 referring to section 306 or old-law pension generally refer to provisions of law in effect on December 31, 1978.

(b) Sections 3.271 to 3.300. These sections apply to income and estate determinations of entitlement to the improved disability and death pension program which became effective January 1, 1979.

[44 FR 45936, Aug. 6, 1979]

REGULATIONS APPLICABLE TO THE IM-PROVED PENSION PROGRAM WHICH BE-CAME EFFECTIVE JANUARY 1, 1979

Source: 44 FR 45936, Aug. 6, 1979, unless otherwise noted.

§ 3.271 Computation of income.

(a) General. Payments of any kind from any source shall be counted as income during the 12-month annualization period in which received unless specifically excluded under § 3.272.

(Authority: 38 U.S.C. 501)

- (1) Recurring income. Recurring income means income which is received or anticipated in equal amounts and at regular intervals (e.g., weekly, monthly, quarterly, etc.), and which will continue throughout an entire 12-month annualization period. The amount of recurring income for pension purposes will be the amount received or anticipated during a 12-month annualization period. Recurring income which terminates prior to being counted for at least one full 12-month annualization period will be treated as nonrecurring income for computation purposes.
- (2) Irregular income. Irregular income means income which is received or anticipated during a 12-month annualization period, but which is received in unequal amounts or at irregular intervals. The amount of irregular income for pension purposes will be the